Increased Port Security

Burden or benefit to port operations?

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The International Ship and Port Facility Security (ISPS) Code, which was designed to reduce the threat of terrorist infiltration into foreign ports and, thus, into the United States by ship, has become weakened by indifference and complacency on the part of many governments and port authorities overseas. The ISPS Code was introduced by the International Maritime Organization (IMO) in response to the perceived threats to ships and port facilities in the wake of the September 11, 2001, attacks in the United States (Figure 1).

In testimony before the U.S. Congress in February 2004, RADM Larry Hereth, then-U.S. Coast Guard Director of Port Security, said, "Full deployment of the ISPS Code will greatly enhance the Coast Guard's port security posture by identifying and correcting weaknesses overseas, thus increasing our ability to prevent potential threats from reaching U.S. shores."

According to the latest IMO statistics, "almost 94 percent of the Contracting Governments to the SOLAS [Safety of Life at Sea] Convention have approved security plans for 97 percent of the declared port facilities, which in total number is excess of 9,600 worldwide." These assets had to be compliant with the ISPS provisions by July 1, 2004.

However, while many ports and terminals have gone through the paper process of implementing the code, many are not much more secure today than they were prior to July 1, 2004. This view is supported by discussions with cargo insurance underwriters, who see no signs of reduction in claims for cargo theft since the implementation date. The concern is that, if port cargo thefts have not decreased, how secure have ports and facilities become against infiltration of terrorists?

The apparent contradiction between the success of

port and facility compliance and continued cargo thefts must be addressed and corrected. Identification of the problem and its solution lies with governments and port authorities who must make greater effort to understand the reasons for the code and the benefits to be reaped from its effective implementation.

Many ports are driven to address security matters not because of any directly perceived threat, but solely to comply with legislation. Security is seen as an unwelcome obstacle to the operation of the port, and improvements in security and efficiency are frequently seen as being incompatible.

In the intensely competitive field of port operations, a commercial operator is reluctant to take on burdensome extra security costs if he sees his competitors somehow avoiding them. Concern about a potential terrorist attack is not high on the list of a port authority's priorities. It is not part of the daily grind and, therefore, not considered to be a net contributor.

In many cases, ports, and the terminal facilities within that port, are given no or minimal budgets for security. Such lack of investment can lead to poor security assessments and a consequentially weak and
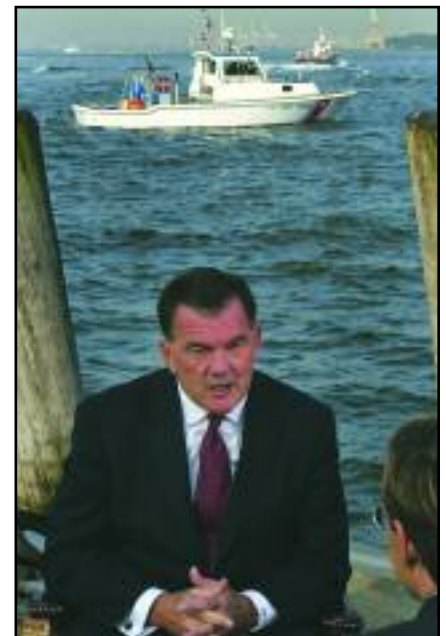

Figure 1: Mr. Tom Ridge, then-Secretary of the Department of Homeland Security, explains the implementation of the Maritime Transportation Security Act (MTSA) and Inter-national Ship and Port Facility Security (ISPS) Code. PA3 Mike Hvozda, USCG.

meaningless security plan. The result too often is that the security investment has been largely squandered on an inefficient and ineffective security system, which may appear to offer superficial improvements but, in fact, presents scant deterrence to even petty thieves, let alone determined terrorists. Thereafter, the security effort becomes stalled, acts as a disincentive to staff, and often is seen as disjointed in its implementation in such areas as the installation of fencing, scanners, closed circuit television (CCTV) cameras, and access card readers. This negative attitude to security is usually manifest at management level, and, without support from managers, any initiative to improve security is almost certainly doomed to fail.

There are many benefits to commercial operators of a holistic approach to security. Ports and terminals that have efficient and effective security tend to show operational improvements in their businesses and higher degrees of motivation among their workforce. Good security can lead to spin-offs, such as better monitoring of workforce utilization; improvement in interagency cooperation, rationalization and sometimes reduction of guard force requirements; and reduction of losses through theft, smuggling, and human trafficking.

Critical Port Security Factors
To achieve an effective and sustainable security regime, some critical factors must be addressed. These include:

- **Strong governmental leadership:** Central and local governments must provide clear direction to ports and terminal operators to develop effective security. Governments must set standards for enforcement agencies, public bodies, and private companies. They should provide guidance and advice and have trained resources to monitor and enforce compliance.

- **Interagency cooperation:** A significant obstacle to effective security in ports is rivalry and reluctance to cooperate among agencies, such as police, customs, coast guard, and navy. Robust leadership from the heads of these organizations is needed to align the objectives of the various departments, to share information, and to agree on roles, boundaries, and interfaces.

- **Support from port or terminal managers:** Lack of commitment from senior management will have a direct effect on the performance of security officers, guards, and port workers. The attitude of senior management can be gauged by the behavior of the guards at the gate. Management is unlikely to be enthusiastic about supporting a system that it perceives as a waste of money, likely to slow down throughput, and affecting the port's competitive position.

- **Involvement of all port personnel in the security program:** Increasing the security awareness of port workers is perhaps the most cost-effective way of improving security. Through briefings and training, workers in the port collectively can act as the eyes and ears of the port security system. They detect, deter, and disrupt crime. An alert and watchful workforce will do much to persuade terrorists and criminals to look for an easier target. This workforce will look to their managers for support and encouragement.

- **Funding for security planning and implementation:** The problem of funding can be a difficult one to overcome. In the first instance, support from governments or, for developing countries, from donor organizations may be necessary to initiate the security process. As a side note, beware of the new breed of port security "expert" that has emerged after 9/11; many of these experts have had no previous experience in the subject. It is discouraging when ports are ill-advised and spend scarce resources on inappropriate and expensive equipment, usually with little or no improvement in security.

- **Business plan:** A business plan should be developed to allow the cost of security to be carried without degrading the competitive position of the port. Installing a security system is the first step. After that, the system should be refined, updated, and maintained. All this costs money and can have an effect on the operation of the entire port. The security planning process must take into account the long term funding for the security system.

In most cases these factors can be addressed most effectively on a whole port basis, rather than the piecemeal, facility-specific basis that many countries and ports have adopted.

The Port of Nigeria
While many ports have taken a superficial and ineffective approach to port security, there are some

instances where diligence and commitment to the planning and implementation of security are starting to show real benefits to port operations. One example of this is Nigeria.

The ports and coastal belt of West Africa suffer high rates of crime against ships. Illegal boarding, theft, extortion, kidnap of crews, and hijacking occur regularly. Criminal gangs operate in ports, and intercommunity fighting occasionally disrupts port operations. Problems are exacerbated by dilapidated port infrastructure, unreliable power supplies, and intermittent land and mobile communications. The challenge facing Nigeria to meet the requirements of the ISPS Code has been enormous. Nonetheless, the country has adopted a thoughtful and structured approach to meet the demands of the code that many other countries would do well to emulate.

Nigeria is one of the world's major exporters of oil. Ninety-five percent of the country's revenues are from oil exports, and the United States and Europe are its biggest customers. A security incident involving a tanker coming from Nigeria risks the shutdown of exports and massive damage to the economy. Nigeria, thus, is motivated to see real improvements in security in its ports and territorial seas.

About two years ago, Nigerian President Olusegun Obasanjo created the Presidential Implementation Committee on Maritime Safety and Security to improve security. The members are from various government ministries, the armed forces and enforcement authorities, representatives of the maritime industry, and port workers. A maritime security consultant was engaged as an adviser to the government on national maritime security strategy, training, and organizational development; national security planning; and the design and implementation of an integrated, nationwide maritime domain security program.

The program is an ambitious one: A national command, communications, and control system will be developed, providing real-time monitoring of activities in terminals at both regional control centers and at the maritime security authority's headquarters in Lagos. A system of radar stations and vessel tracking sensors will provide continuous tracking of SOLAS and non-SOLAS vessels in Nigeria's national waters. A national smart card identification (ID) system for seafarers and other port workers is being implemented.

The security surveys of the various ports have produced valuable information for the maritime authorities. Through data collected, programs have been initiated for rearrangement of services and removal of redundant and scrap equipment. The primary motivator for this activity has been to improve security, but the other benefits include more efficient port layouts, quicker cargo throughput, and the freeing up of wasted space for potential rental and additional income to the port.

Increased dialogue among agencies, workers' representatives, and employers is helping to improve relationships between agencies, between government and industry, and between employers and workers' organizations. By introducing better communications and control at regional and national levels, additional layers of supervision of the activities of government officials will help to inhibit and reduce the endemic problems of corruption in the ports. This will increase revenues to the government and improve the attractiveness of Nigerian ports to the shipping industry.

The maritime domain awareness system will help improve the government's effectiveness at collecting dues and other fees from ship operators, assist in enforcing the country's cabotage law, and, most importantly, monitor the activities of suspicious craft and stamp out hijacking, hostage-taking, and theft at sea.

Much work has been carried out to identify and appreciate the problems. Under the leadership of the Minister of Transport, Dr. Abiye Sekibo, there is a solid determination in government to instigate change and improvement. Much remains to be done, but the foundations are being set.

The Port of Venice

In Europe, the port of Venice (Figure 2) offers another example where a structured approach to security is enhancing the port's overall operations. Venice is the home of one of the world's busiest cruise line terminals, handling over one million passengers per year. Close by is the industrial port of Maghera, the second largest in Italy with over 30 terminals handling oil products, hazardous chemicals, containers, and bulk products. There is fierce competition between Venice and other ports in the Mediterranean, and, following the introduction of the ISPS Code, terminal operators in the port were concerned at the impact that the burden of additional costs for security would have on their business.

Although not legislated within the ISPS Code, the port authority recognized that the most effective way of introducing security to the port would be through a coordinated and integrated approach across the

Figure 2: The Port of Venice.

whole port. A security assessment of the entire port was carried out, along with those for each facility. From this, a strategy was developed based on an integrated security control center that would provide CCTV surveillance, perimeter and access control, and ID card management for all the terminal operators. The plan involves the construction of a new 12-lane entry point into the port with automated barriers, search and waiting areas, and facilities for container scanning and other forms of non-intrusive inspection. At the same time outdated roads are being upgraded and a new port access bridge is being built.

The new security system, operated and maintained under the control of the port, will allow the terminal operators to concentrate on their core businesses. Apart from better security, terminal operators will gain from better truck turnaround times and quicker cargo processing. By integrating port and terminal security operations, savings of over 30 percent in guard manning costs will be likely. Other benefits include better supervision of workforce timekeeping and improved management of movements of trucks and containers within the terminals. From a safety perspective, the system will provide the port with a real-time picture of the location of persons and vehicles within the port. This will allow more effective response to emergencies and better management of evacuation.

The port is now able to extend its value-added services to terminal operators and, thus, increase its revenues. By centralized purchasing and installation of security equipment, the port authority and the terminal operators can take advantage of economies of scale, thus optimizing procurement and maintenance budgets.

Raising standards of security in ports can have a significant cost, both in the initial capital spent and in ongoing operation and maintenance. However, by careful and structured discussions with the various stakeholders in the port and its terminals, those involved in enhancing security can also bring better safety, improved administration, and improved operational efficiency, while at the same time reducing cargo theft and the risk of terrorist intervention.

About the author: Mr. Chris Austen, chief executive officer of Maritime & Underwater Security Consultants (MUSC), based in London, England, has worked on a variety of counter-terrorism, anti-piracy and crime prevention operations in Europe, Nigeria, Angola, Algeria, Indonesia, Malaysia, and Central America. He provided input to the International Maritime Organization for the development of the ISPS Code and to the World Customs Organization for supply chain security.